AMENDMENTS TO THE CLAIMS:

This listing of claims will replace all prior versions and listings of claims in the application:

Claims 1-6. (Canceled).

7. (Currently Amended) A data processing system, comprising:

~~a~~ one or more processor adapted to:

analyze ~~risk elements of~~ interest-rate derivative components and mortgage pool components to determine whether cash flows from the mortgage pool components and interest-rate derivative components are sufficient, under various interest rate scenarios, to pay interest obligations for proposed structured securities having floating-rate and related inverse floating-rate classes;

generate a plan for structuring the securities ~~that~~ to include cash flows from selected interest-rate derivative components and selected mortgage pool components in combination that were determined to have sufficient cash flows, thereby overcoming an artificial leverage limitation;

validate the plan for structuring securities to ensure under a variety of prepayment scenarios that securities issued under the plan will receive cash flows from the selected interest-rate derivative components and the selected mortgage pool components sufficient to pay interest obligations for the securities; and

administer the securities issued under the validated plan.

8. (Currently Amended) A data processing system according to claim 7, wherein the processor is further adapted to analyze ~~analyzing risk elements of~~ interest-rate derivative and mortgage pool components ~~comprises~~ using an asset pool prepayment model that projects cash flows of a mortgage asset account based on prepayment rate parameters and asset type data provided as input from a user.

9. (Currently Amended) A data processing system according to claim 8, wherein the processor is further adapted to analyze ~~analyzing risk elements of~~ interest-rate derivative and mortgage pool components by processing projected cash flows from the asset pool prepayment model and determining whether the projected cash flows are sufficient to meet predetermined payment obligations.

10. (Currently Amended) A data processing system according to claim 9, wherein the processor is further adapted to analyze ~~analyzing risk elements of~~ interest-rate derivative and mortgage pool components by evaluating derivatives for a proposed plan based on data from processing projected cash flows from the asset pool prepayment model and determining whether the projected cash flows are sufficient to meet predetermined payment obligations and a derivatives model.

Claims 11-26. (Canceled).

27. (Currently Amended) A method of adding value to mortgage-backed securities using at least one data processing system comprising:

identifying one or more pools of mortgages underlying a mortgage-backed security ~~securities~~;

identifying one or more interest-rate derivatives;

analyzing, using at least one data processing system, risk elements and economic variables associated with cash flows coming from the one or more pools of mortgages ~~securities~~ and the interest-rate derivatives to determine whether the cash flows are adequate to pay interest obligations for proposed structured securities including at least a floating-rate class and a related inverse floating-rate class;

if the cash flows are adequate, strategically allocating, using at least one data processing system, cash flows from the one or more pools of mortgage securities and cash flows from the interest-rate derivatives to create classes of investment securities which define a new set of investment securities that overcome an artificial leverage limitation, at least one floating-rate class combining cash flows from the interest-rate derivatives and cash flows from the one or more pools of mortgage securities that were determined to have adequate cash flows; and

issuing the new set of investment securities.

28. (Currently Amended) The method of claim 27 wherein the one or more pools of mortgages ~~securities~~ have floating-rate (FLT) and inverse floating-rate (INV) classes and the FLT and INV classes are exchanged for cash flows from a derivative contract.

29. (Currently Amended) The method of claim [[28]] 27 wherein the interest-rate derivatives comprise a derivative contract ~~comprises~~ comprising an exchange of fixed rate cash flows from the one or more pools of mortgages ~~securities~~ for variable rate cash flows from the derivative contract.

30. (Previously Presented) The method of claim 28 wherein cash flows move both to and from the FLT and INV classes.

31. (Withdrawn) An investment security comprising:

cash flows coming from mortgage pool components; and

cash flows coming from derivative components,

wherein the cash flows from mortgage pool components and the cash flows from derivative components are allocated into tranches, whereby the value of the investment security is greater than that which would have been realized by securitizing cash flows coming from mortgage pool components alone.

32. (Withdrawn) The investment security of claim 31 wherein the cash flows coming from mortgage pool components comprise cash flows coming from a Real Estate Mortgage Investment Conduit (REMIC).

33. (Withdrawn) The investment security of claim 31 wherein the cash flows coming from mortgage pool components comprise cash flows coming from a Financial Asset Securitization Investment trusts (FASIT).

34. (Withdrawn) The investment security of claim 31 wherein the cash flows coming from mortgage pool components comprise cash flows coming from a multiple-class mortgage cash flow security.

35. (Withdrawn) The investment security of claim 31 wherein the cash flows coming from mortgage pool components comprise cash flows coming from a collateralized mortgage obligation.

36. (Withdrawn) The investment security of claim 31 wherein the derivative components comprise swaps.

37. (Withdrawn) The investment security of claim 36 wherein the swaps comprise fixed rate for floating-rate interest rate swaps.

38. (Withdrawn) The investment security of claim 36 wherein the swaps comprise financial index swaps.

39. (Withdrawn) The investment security of claim 31 wherein the derivative components comprise call options on mortgage-backed securities.

40. (Withdrawn) The investment security of claim 31 wherein the derivative components comprise put options on mortgage-backed securities.

41. (Withdrawn) The investment security of claim 31 wherein the derivative components comprise caps.

42. (Withdrawn) The investment security of claim 31 wherein the derivative components comprise floors.

43. (Withdrawn) The investment security of claim 31 wherein the derivative components comprise collars.

44. (Withdrawn) The investment security of claim 31 wherein the derivative components comprise corridors.

45. (Currently Amended) A system for creating investment securities which are at least partially backed by mortgage pool components comprising:

a computer adapted to execute software comprising:

a risk analysis and planning module that analyzes risk elements of interest-rate derivative components and mortgage pool components to determine whether cash flows from the mortgage pool components and interest-rate derivative components are sufficient to pay interest obligations for proposed structured securities that include a floating-rate class and a related inverse floating-rate class, generates a plurality of plans for structuring securities that include cash flows from selected components from the interest-rate derivative components and mortgage pool

components in combination that were determined to have sufficient cash flows to service the floating-rate class and the related inverse floating-rate class, and adopts a plan from among the plurality of plans which overcomes an artificial leverage limitation;

a deal structure module that validates the adopted plan under a variety of prepayment scenarios to confirm that securities issued under the plan will receive cash flows from the selected interest-rate derivative components and the selected mortgage pool components sufficient to pay interest obligations for the securities and causes securities to be issued under the validated plan, including the floating-rate class and the related inverse floating-rate class; and

an administration module for administering the securities issued under the plan validated by the deal structure module.

46. (Previously Presented) A system for creating investment securities according to claim 45, wherein the risk analysis and planning module further comprises an asset pool prepayment model that projects cash flows of a mortgage asset account based on prepayment rate parameters and asset type data provided as input from a user.

47. (Original) A system for creating investment securities according to claim 46, wherein the risk analysis and planned module further comprises a pool planning and stress process module that processes projected cash flows from the asset pool prepayment model and determines whether the projected cash flows are sufficient to meet predetermined payment obligations.

48. (Original) A system for creating investment securities according to claim 47, wherein the risk analysis and planning module further comprises a class structuring process module that evaluates derivatives for a proposed plan based on data from the pool planning and stress process module and a derivatives model.

49. (Withdrawn) A method for creating investment securities, the method comprising:

creating a securities structure backed by mortgage pool components in accordance with regulatory structuring constraints, the securities structure having one or more classes of securities, at least one class being subject to an artificial leverage limitation under the regulatory structuring constraints because it is designated for absorbing prepayment risk;

restructuring one of the at least one class designated for absorbing prepayment risk to overcome the artificial leverage limitation by combining it with at least one cash flow coming from interest-rate derivative components; and

issuing the structured securities.

50. (Withdrawn) The method according to claim 49, wherein the interest-rate derivative components comprise at least one exchange of cash flows backed by one or more mortgage pools for cash flows that are not mortgage-backed, the restructuring step combining the non-mortgage-backed cash flows with cash flows backed by one or more mortgage pools.

51. (Withdrawn) The method according to claim 49, wherein the restructuring step comprises adjusting cash flow characteristics of the at least one class designated for absorbing prepayment risk.

52. (Withdrawn) The method according to claim 49, wherein the restructuring step comprises allocating principal, interest, and other cash flows from the interest-rate derivative and the mortgage pool components to the at least on class designated for absorbing prepayment risk.

53. (Withdrawn) The method according to claim 52, wherein the restructuring step further comprises adjusting the principal and interest cash flow characteristics of the at least one class designated for absorbing prepayment risk based on the result of analyzing the risk elements of the interest-rate derivative and mortgage pool components.

54. (Withdrawn) The method according to claim 49, wherein at least one of the structured classes of securities has floating interest rate characteristics.

55. (Withdrawn) The method according to claim 49, wherein the overall value of the securities structure is increased.

56. (Withdrawn) The method according to claim 49, wherein the restructuring step further comprises:

not restructuring one or more other classes of the securities structure.

57. (Withdrawn) The method according to claim 49, wherein the restructuring step further comprises:

restructuring more than one class of the securities structure.

58. (Withdrawn) A computer program product for creating investment securities, the computer program product comprising computer-readable media having computer-readable code, the computer program product comprising the following computer-readable program code for effecting actions in a computing platform:

program code for creating a securities structure backed by mortgage pool components, the securities structure having one or more classes of securities, at least one class being subject to an artificial leverage limitation under the regulatory structuring constraints because it is designated for absorbing prepayment risk;

program code for restructuring one of the at least one class designated for absorbing prepayment risk to overcome the artificial leverage limitation by combining it with at least one cash flow coming from interest-rate derivative components; and

program code for creating the structured securities.

59. (Withdrawn) The computer program product according to claim 58, wherein the interest-rate derivatives comprise at least one exchange of cash flows

backed by one or more mortgage pools cash flows that are not mortgage-backed, the program code for restructuring comprising program code for combining the non-mortgage-backed cash flows with other cash flows backed by one or more mortgage pools.

60. (Withdrawn) The computer program product according to claim 58, wherein the program code for restructuring comprises program code for adjusting cash flow characteristics of the at least one class designated for absorbing prepayment risk.

61. (Withdrawn) The computer program product according to claim 58, wherein the program code for restructuring comprises program code for allocating principal, interest and other cash flows from the interest-rate derivative and mortgage pool components to the at least one class designated for absorbing prepayment risk.

62. (Withdrawn) The computer program product according to claim 61, wherein the program code for restructuring further comprises program code for adjusting the principal and interest cash flow characteristics of the at least one class designated for absorbing prepayment risk based on the result of analyzing the risk elements.

63. (Withdrawn) A method of creating investment securities comprising:

identifying swap cash flows having notional principal specifications that can be combined with mortgage pool component cash flows;

structuring the swap cash flows and mortgage pool component cash flows in a securities structure that creates greater total economic value than a securities structure having mortgage pool component cash flows alone; and

issuing the structured securities.

64. (Withdrawn) The method according to claim 63, wherein the swap cash flows are adjusted in accordance with one or more interest rates.

65. (Withdrawn) The method according to claim 63, wherein the notional principal specifications are adjusted in accordance with payment characteristics underlying the mortgage pool component cash flows.

66. (Withdrawn) The method according to claim 63, wherein the structuring step further comprises:

calculating potential risks and costs associated with a securities structure; and

adjusting the securities structure based on those potential risks and costs.

67. (Withdrawn) The method according to claim 63, wherein the mortgage pool component cash flows comprise cash flows from at least one Real estate Mortgage Investment Conduit (REMIC).

68. (Withdrawn) The method according to claim 63, wherein the mortgage pool component cash flows comprise cash flows from at least one Financial Asset Securitization Investment Trust (FASIT).

69. (Withdrawn) The method according to claim 63, wherein the mortgage pool component cash flows comprise cash flows from at least one multiple-class mortgage security.

70. (Withdrawn) The method according to claim 63, wherein the mortgage pool component cash flows comprise case flows from at least one collateralized mortgage obligation.

71. (Previously Presented) A method for structuring a series of securities that are backed at least in part by a mortgage pool to avoid an artificial leverage limitation, comprising:

directing a first portion of interest cash flow supplied by the mortgage pool to a floating-rate security having a maximum interest rate and a minimum interest rate;

directing a second portion of interest cash flow supplied by the mortgage pool to an inverse floating-rate security;

directing a third portion of interest cash flow supplied by the mortgage pool to an interest-rate derivative; and

directing a variable cash flow from the interest-rate derivative to the floating-rate security, thereby increasing the maximum interest rate of the floating-rate security above a maximum interest rate allowed under the artificial leverage limitation;

wherein the series of securities comprises the floating-rate security and the inverse floating-rate security.

72. (Previously Presented) The method of claim 71, wherein directing the third portion of interest cash flow supplied by the mortgage pool to an interest-rate derivative comprises:

directing the third portion of interest cash flow to the interest-rate derivative out of the first portion of interest cash flow supplied by the mortgage pool, thereby reducing the first portion of interest cash flow that is directed to the floating-rate security.

73. (Previously Presented) The method of claim 71, wherein the floating-rate security pays interest based on a formula using a value of an interest-rate index, and

wherein the interest-rate derivative generates the variable cash flow based on the value of the interest-rate index.

74. (Previously Presented) The method of claim 73, wherein the interest-rate derivative generates the variable cash flow only if the interest-rate index is equal to or greater than a predetermined threshold.

75. (Previously Presented) The method of claim 74, wherein the fixed threshold is equal to the maximum interest rate for the floating-rate security under the artificial leverage limitation minus the minimum interest rate for the floating-rate security.

76. (Previously Presented) The method of claim 71, further comprising:

conditionally directing a fourth portion of interest cash flow supplied by the mortgage pool to a second interest-rate derivative; and

directing a second variable cash flow from the second interest-rate derivative to the floating-rate security, if a market value of the floating-rate security falls more than a predetermined percentage below a principal amount of the floating-rate security.

77. (Previously Presented) The method of claim 71, further comprising:

issuing the series of securities.

78. (Previously Presented) The method of claim 71, further comprising:

servicing the series of securities.

79.-84. Cancelled.

85. (Previously Presented) A system that pays a principal payment and a floating-rate interest payment for a holder of a floating-rate bond backed in part by mortgage assets, comprising:

a principal payment component that receives a principal cash flow from the mortgage assets that back the floating-rate bond and pays the principal cash flow as the principal payment for the holder of the floating-rate bond;

a mortgage interest component that receives a first interest cash flow from the mortgage assets and pays the first interest cash flow as a first portion of the floating-rate interest payment for the holder of the floating-rate bond;

a derivative cost component that receives a second interest cash flow from the mortgage assets and pays the second interest cash flow to a provider of an interest-rate derivative in exchange for a variable derivative cash flow; and

a derivative interest component that receives the variable derivative cash flow from the interest-rate derivative and pays the variable derivative cash flow as a second portion of the floating-rate interest payment to the holder of the floating-rate bond, thereby surpassing a maximum interest rate for the floating-rate interest payment that the floating-rate bond could otherwise pay if artificially limited to using only the first interest cash flow and the second interest cash flow from the mortgage assets.

86. (Previously Presented) The system of clam 85, wherein the second interest cash flow from the mortgage assets is a portion of the first interest cash flow.

87. (Previously Presented) The system of clam 85, further comprising:

a contingent derivative cost component that receives a third interest cash flow from the mortgage assets and pays the third interest cash flow to a provider of a second interest-rate derivative in exchange for a second variable derivative cash flow, if a

market value of the floating-rate security falls below threshold that is less than a principal amount of the floating-rate security; and

a contingent derivative interest component that receives the second variable derivative cash flow from the second interest-rate derivative and pays the second variable derivative cash flow as a third portion of the floating-rate interest payment for the holder of the floating-rate bond.

88. (Previously Presented) the system of claim 85, wherein the interest-rate derivative is a corridor.